

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: 03/27/2012
POSITION: Neutral

BILL NUMBER: SB 1165
AUTHOR: Wright, Roderick

BILL SUMMARY: Public Utilities Commission: intervenor compensation.

Existing law authorizes certain individuals or groups that participate in proceedings before the California Public Utilities Commission (PUC) involving electric, gas, water, and telephone utilities to request compensation for the costs associated with that participation.

This bill would include a school district, county office of education, or community college district to be eligible for intervenor compensation.

FISCAL SUMMARY

The PUC staff state this bill would not result in a fiscal impact. The Department of Finance concurs and notes any costs should be absorbable within the existing resources allotted to the PUC.

COMMENTS

Finance is neutral on the bill and notes the bill is intended to provide the opportunity for school districts, county offices of education, or community college districts to participate in PUC proceedings. Currently, many schools are unable to participate because of financial constraints.

The PUC is responsible for assuring California utility customers have safe, reliable utility service at reasonable rates and protecting utility customers from fraud. The PUC depends on input, questions, and feedback from the general public. By hearing from different perspectives, the PUC is better able to make informed decisions that consider the impact of utility costs and services on all Californians. The Intervenor Compensation Program is intended to ensure that individuals and groups that represent residential or small commercial electric utility customers have the financial resources to bring their concerns and interests to the PUC during formal proceedings.

The California Public Utilities Code allows certain parties in proceedings before the Commission to request compensation for their participation. Existing law defines an eligible customer as not including any state, federal, or local government agency, and public utility, or any entity formed by a local government agency for the purpose of participating in a PUC proceeding. This exclusion is based on the fact that government agencies are funded with public dollars and have the ability to increase taxes or fees to fund their activities.

Intervenor compensation awards are paid by public utilities from monies collected from utility ratepayers. Utility rates are affected by these awards because the existing law requires the PUC to adjust utility rates so that utilities can collect any amounts paid to intervenors. Typically, only a specific utility subject to the proceeding is responsible for the payment of intervenor compensation. That utility will increase its rate to cover the award. If a proceeding applies to a utility category rather than a specific utility, awards of compensation may be paid by the PUC out of ratepayer fees collected by all utilities.

Analyst/Principal (0621) J.McGuinn	Date	Program Budget Manager Karen Finn	Date
Department Deputy Director		Date	
Governor's Office:	By:	Date:	Position Approved _____ Position Disapproved _____
BILL ANALYSIS			Form DF-43 (Rev 03/95 Buff)

BILL ANALYSIS--(CONTINUED)**Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

Wright, Roderick

03/27/2012

SB 1165

	SO	(Fiscal Impact by Fiscal Year)					
Code/Department	LA	(Dollars in Thousands)					
Agency or Revenue	CO	PROP					Fund
Type	RV	98	FC	2011-2012 FC	2012-2013 FC	2013-2014	Code
8660/PUC	SO	No		-----	No/Minor Fiscal Impact	-----	0462
<u>Fund Code</u>	<u>Title</u>						
0462	Publ Utilities Comm Utilities Reimb Acct						